

City of Corunna
Regular Council Meeting
Monday, November 3, 2003

Present: Corey, Johnson, Lantis, Mehigh, Runyan, Sanderson, Wagner.

Absent: None.

The meeting was called to order in the City Council Chambers by Mayor Corey at 7:00 p.m.

MINUTES OF THE PREVIOUS REGULAR MEETING: Johnson moved, Sanderson seconded to approve the regular meeting minutes dated October 20, 2003 as presented.

Roll call vote:

Yes: Wagner, Johnson, Sanderson, Runyan, Lantis, Mehigh.

No: None.

Motion CARRIED

AGENDA APPROVAL: Mehigh moved, Lantis seconded to approve the agenda as presented with the addition of Item No. 7) Reappoint Larry Runyan to the SATA Board.

Roll call vote:

Yes: Lantis, Runyan, Mehigh, Wagner, Johnson, Sanderson.

No: None.

Motion CARRIED

APPROVAL OF VENDOR DISBURSEMENTS: Wagner moved, Mehigh seconded to approve the vendor disbursements as presented.

Roll call vote:

Yes: Runyan, Wagner, Lantis, Sanderson, Mehigh, Johnson.

No: None.

Motion CARRIED

2002/2003 AUDIT PRESENTATION: Johnson moved, Wagner seconded to accept and place on file the City of Corunna 2002/2003 Audit as presented by Abraham and Gaffney.

Roll call vote:

Yes: Sanderson, Mehigh, Johnson, Lantis, Wagner, Runyan.

No: None.

Motion CARRIED

CONSIDER AMENDMENTS TO THE MID-SHIAWASSEE WASTEWATER AGREEMENT:

Wagner moved, Johnson seconded to support the changes to the Mid-Shiawassee County Waste Water Agreement as presented.

Roll call vote:

Yes: Mehigh, Lantis, Runyan, Johnson, Sanderson, Wagner.

No: None.

Motion CARRIED

CONSIDER AGRICULTURAL LAND LEASE WITH RICHARD AND CHARLENE

WRIGHT: Mehigh moved, Runyan seconded to approve the Agricultural Land Lease with Richard and Charlene Wright as presented.

Roll call vote:

Yes: Johnson, Sanderson, Wagner, Mehigh, Runyan, Lantis.

No: None.

Motion CARRIED

CONSIDER INSTALLMENT LOAN AGREEMENT WITH RICHARD AND CHARLENE

WRIGHT: Mehigh moved, Wagner seconded to approve the following resolution authorizing execution and delivery of an Installment Purchase Agreement as presented:

**RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF AN
INSTALLMENT PURCHASE AGREEMENT**

WHEREAS the City of Corunna (the “City”) desires to purchase real estate located on Parmenter Road in the Township of Caledonia, Shiawassee County, MI (the “Property”), as legally described on Exhibit A, having a total purchase price of \$250,000; and

WHEREAS, to finance a portion of the cost of acquiring the Property, the City deems it necessary to borrow the sum of \$200,000; and

WHEREAS, Act No. 99 of the Public Acts of Michigan of 1933, as amended (“Act 99”), provides a means by which the City may enter into agreements for the purchase of lands, property or equipment for public purposes, to be paid for in installments; and

WHEREAS, the City has entered into a contract to purchase the Property (the “Purchase Contract”) with Richard C. Wright and Charlene H. Wright, husband and wife (the “Vendor”); and

WHEREAS, the Vendor has agreed to finance the purchase of the Property by entering into an Installment Purchase Agreement pursuant to which the City will make payments of principal and interest to the Vendor; and

WHEREAS, the City’s outstanding balance of all installment purchases, exclusive of interest, not including (i) contracts entered into under Act No. 31, Public Acts of 1948, First Extra Session, as amended, or (ii) contracts or leases between public corporations or municipalities, but including the principal amount of the Installment Purchase Agreement authorized by this resolution, shall not exceed one and one-quarter percent (1-1/4%) of the taxable value of the real and personal property in the City.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. Acquisition of the Property is hereby found to be a public purpose and in the best interest of the health, safety and welfare of the City.

2. The City hereby approves the proposal of the Vendor and authorizes and directs the Mayor and City Clerk (i) to execute an Installment Purchase Agreement (the "Agreement") in the amount of \$200,000 in substantially the form as submitted herewith, with such changes as they shall approve, and (ii) to execute an Installment Note (the "Note") with the Vendor in conformance with the Agreement, each with an interest rate on the principal amount outstanding of four percent (4%) per annum.

3. The City shall include in its budget each year the amount necessary to make all installment payments of principal and interest under the Agreement during such year, when and as the same shall become due.

4. The City shall, at all times while any payments on the Agreement are outstanding, have control of the Property and shall maintain the same for public purposes.

5. The useful life of the Property is hereby determined to be at least six (6) years.

6. The obligation of the City to make the principal and interest payments pursuant to the Note are the general obligations of the City, and the City hereby pledges its limited tax full faith and credit, general obligation to the payment of principal of, and interest on the Note, subject to charter, constitutional and statutory limitations.

7. The authority granted herein shall not be construed to require the City to levy taxes in excess of any charter, constitutional or statutory limitations.

8. The Mayor and the City Clerk are hereby authorized to do all acts and things and to execute any documents or certificates as may be necessary or desirable, and to deliver such documents to the parties to effectuate the transaction described in the Agreement.

9. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and they are hereby rescinded.

Legal Description of Real Estate

SEC.27, T7N, R3E. ALL THAT PT OF E 1/2 OF SW 1/4 THAT LIES S OF DGH&M & ANN ARBOR RDS. ALSO S PT OF W 1/2 OF SW 1/4: DESC. AS COM AT INTR OF S LN OF D&MRR WITH W LN OF SW 1/4 OF SEC, TH S ON W LN OF SEC TO S LN THEREOF, TH E ON S LN TO E LN OF W 1/2 OF SW 1/4, TH N TO CEN OF HWY, TH NWLY ALG CEN OF HWY TO S LN OF RR, TH WLY ALG S LN OF RR TO BEG EX ALL THAT PT OF E 1/2 OF SW 1/4 LY N OF C/LN OF PARMENTER RD & SLY OF GT&WRR R/WY ALSO DESC AS COM AT S 1/4 POST OF SEC, TH N 87°32'14"W 229.47 FT TO C/LN OF PARMENTER RD, TH N36°32'28"W 1714.28 FT TO N&S 1/8 LN, TH N03°00'00"E 789.14 FT ALG SD N&S 1/8 LN, TH ALG A 2644.36 FT RADIUS CURVE TO RIGHT 1314.05 FT, LONG CHORD BEARING & DIST IS S86°57'41" E 1300.57 FT TH S02°26'58"W 2108.21 FT TO BEG ALSO EX COM AT A PT ON C/LN OF PARMENTER RD WHICH IS S87°54'56"W 23 3.29 FT

TO A PT ON SD C/LN & ALG SD C/LN THE FOLLOWING 4 COURSES:
N41°45'50"W 55.42 FT, N41°06'50"W 1374.52 FT, N41°50'56"W 332.18 FT TO PT
OF CURVATURE OF CURVE TO LEFT & NWLY ALG SD CURVE (HAVING A
RADIUS OF 943.90 FT & CHORD BEARING & N45°02'59"W 105.41 FT) A
LENGTH OF 105.46 FT FROM S 1/4 POST OF SEC, TH CONT NWLY ALG SD
CURVE (HAVING A RADIUS OF 943.90 FT & CHORD BEARING & DIST OF
N52°17'42"W 133.15 FT) A LENGTH OF 133.26 FT TO PT OF TANGENCY OF SD
CURVE, TH CONT ALG SD C/LN N56°20'22"W 276.05 FT, TH S33°28'26"W 241
FT, TH S43°32'12"E 392.79 FT, TH N38°09'21"E 319.63 FT TO BEG.

Roll call vote:

Yes: Wagner, Johnson, Sanderson, Runyan, Lantis, Mehig.

No: None.

Motion CARRIED

CONSIDER APPOINTMENT OF SAMANTHA JOHNSON TO THE CORUNNA FOURTH

OF JULY COMMISSION: Johnson moved, Sanderson seconded to appoint Samantha Johnson to the Fourth of July Commission to serve at the pleasure of the Council for a term to begin upon the taking of the oath of office and continuing indefinitely.

Roll call vote:

Yes: Lantis, Runyan, Mehig, Wagner, Johnson, Sanderson.

No: None.

Motion CARRIED

REAPPOINT LARRY RUNYAN TO THE SATA BOARD: Johnson moved, Sanderson seconded to reappoint Larry Runyan to the SATA Board effective immediately and to serve at the pleasure of the council until October 31, 2007.

Roll call vote:

Yes: Sanderson, Mehig, Johnson, Lantis, Wagner, Runyan.

No: None.

Motion CARRIED

ADJOURN: Wagner moved, Johnson seconded to adjourn.

Roll call vote:

Yes: Mehig, Lantis, Runyan, Johnson, Sanderson, Wagner.

No: None.

Motion CARRIED Time was 9:10 p.m.

STEVE COREY, MAYOR

YVONNE F. LONG, CITY CLERK